Ministry could consider meeting a part of the cost of such agency. The Ministry also continues to interact with the Association for identification of measures which could further improve viability of operations.

Using rice husk as raw material in power plants

1378. SHRI V. HANUMANTHA RAO: Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) whether it is a fact that Government encourages industry and entrepreneurs to venture into the non-conventional energy sector which uses rice husk as raw-material for power plants;

(b) if so, what are the incentives given for such plants;

(c) whether it is a fact that this kind of energy has given a boost to the rural economy;

(d) what steps are proposed to be take to encourage such power producers using rice husk as the basic raw material for their power plants; and

(e) the steps proposed to assist and give incentives for this purpose?

THE MINISTER OF STATE OF THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (SHRI VILAS MUTTEMWAR): (a) Yes Sir. Biomass-based power generation plants including those based on rice husk are being promoted under the Ministry's Biomass Energy and Cogeneration Programme.

(b) The Ministry has been providing interest subsidy ranging from 2-3% to the eligible biomass-based power plants linked to the technology configuration employed. A proposal to provide capital subsidy to such projects instead of the interest subsidy has been approved recently. Such projects may also avail of other incentives announced by the Government such as tax holiday for power plants, accelerated rate of depreciation, concessional duties, etc., as may be applicable.

(c) Biomass-based power plants are expected to be beneficial to the rural economy on account of their potential for generation of employment and enhanced income for farmers.

(d) and (e) The Ministry continues to encourage biomass-based power plants wherever economically viable. A mix of promotional measures which

may include financial and fiscal incentives, technological support and policy interventions are being adopted for this purpose.

Setting up a dedicated financial institution for NES

1379. SHRI V. HANUMANTHA RAO: Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) whether Government has any plan to set up an institution which would be dedicated solely to financing and assisting people interested in producing non-conventional energy;

(b) if so, the details of the proposal to set up a dedicated financial institution to assist this sector;

(c) whehter discussions have been held with the RBI and other agencies on this proposal; and

(d) the details of steps proposed to be taken to ensure that non-conventional energy sector gets adequate finance from institution for their plants?

THE MINISTER OF STATE OF THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (SHRI VILAS MUTTEMWAR): (a) No, Sir.

(b) and (c) Do not arise.

(d) The Government set up the Indian Renewable Energy Development Agency (IREDA), a public sector non-banking financial institution under the administrative control of this Ministry in 1987, for providing term loans for non-conventional energy projects. In addition, a number of commercial banks and financial institutions extend financial assistance to such projects.

Various types of non-conventional energy

1380. SHRI GIREESH KUMAR SANGHI: Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) what are the various types of non-conventional energy;